

**HB 4006 NEWBERG RENT BURDENED HOUSEHOLDS
COMMUNITY FORUM MINUTES
DECEMBER 5, 2019, 6:00 PM
NEWBERG PUBLIC SAFETY BUILDING
401 EAST THIRD STREET**

ATTENDANCE

Mayor Rick Rogers
Doug Rux, Community Development Director
Keshia Owens, Assistant Planner
Community Members – see attached sign in sheets

Community Development Director Doug Rux opened the community forum at 6:00 p.m. with a general introduction.

Community Development Director Doug Rux recapped a Power Point Presentation on the intent of HB 4006 and provided general background information on percentage of rent burdened households in Newberg, past activities of Housing Newberg, poverty rates, income levels, housing costs, and possible barriers (see attached). He then proposed three questions for the community to consider and discuss. Minutes from the 2018 community meeting on rent burdened was provided to the participants.

1. Causes and consequences of sever rent burdens within the city.

Community members provided the following feedback:

2019

- a. Income.
- b. Available housing inventory.
- c. Conversion of homes to short term rentals.
- d. Increases in construction costs and labor costs.
- e. Lack of living wage jobs.
- f. SB 608 rent control law, 10% increase in market rate cap impacts changing of tenants.
- g. What the market wants verses what the market provides.
- h. Construction Excise Tax.
- i. Unit size.
- j. Rental availability.
- k. Lack of R-3 (High Density) zoning.
- l. System Development Charges.
- m. High rents.

2018

- a. Consequence is employers and businesses can't find housing and employees.
- b. Not enough housing units available to rent.
- c. How many vacant rental units are in Newberg?
- d. Newberg Public School employees look where income and housing are available and compete with the Portland where they are paid more.
- e. Enrollment at Newberg Public Schools is declining and may be due to housing costs.
- f. AT a micro level many families have poor knowledge of basic budgeting and home ownership
- g. Who owns rentals – individuals or corporations?
- h. Increasing cost of construction for new housing and increasing land prices.

- i. Single family homes have high rent rates, multi-family rents below single family but high single family rental rates pushes up multi-family rental rates.
- j. Not enough studio or single room rentals available in Newberg.
- k. Lack of federal investment in in public housing and voucher programs.
- l. People not moving here drives school funding down, declining school enrollment reduces school funding and reduces staffing.
- m. Lack of one bedroom units in Newberg.
- n. Rent goes up \$100 a year, while income staying level. Creates homelessness issues. Stagnant minimum wage, taxed on tips whether you make the tips or not.
- o. Lack of Legislative action in the 2017 session.
- p. CAT – More housing now, proposal in 2019 Legislative session.
- q. More hungry people, rising rents, and less disposable income.
- r. We have jobs in Newberg but people can't afford to live here so they commute in for low paying jobs.
- s. Lack of full-time jobs, employers don't want to pay benefits.
- t. Rents go up because market bears it. Wonder if George Fox University students together can afford higher rents of if Newberg is becoming a Portland bedroom community. The mix (population make-up) is changing and do we want that?
- u. Income levels – if at low end the burden is huge on obtaining housing.
- v. Not enough industrial land that can lead to higher paying warehouse, manufacturing and distribution jobs.
- w. People in the community do not have a clue on the rental housing issue.
- x. Utility costs monthly are high for light and heat.
- y. Healthcare costs are high so people paying dollars for health care and not for rent.
- z. Supply and Demand drives rental prices upward. More demand than product because there are more people competing for units.
- aa. Biggest land owner Chehalem Park and Recreation District should donate or sell land for affordable housing.
- bb. Need a reduction in red tape.
- cc. Property taxes are high and drives up rent rates.
- dd. California buyers are purchasing duplexes and splitting them up and taking product off of the market.
- ee. Loosing economic diversity in the community.
- ff. Everyone needs to take a cut in income.
- gg. All of the west coast needs to work together on providing affordable housing.

2. Barriers to reducing rent burdens.

Community members provided the following feedback:

2019

- a. Developer incentives.
- b. Lack of supply – land and units
- c. Lack of R-2 and R-3 land.
- d. Immigration (Federal activities).
- e. Expensive (housing).
- f. Lack of creative financing.
- g. Properties being bought by people not living in Newberg (absentee ownership).
- h. Lack of good paying jobs.
- i. System Development Charges (SDCs).
- j. Increasing Chehalem Park and Recreation District (CPRD) Parks SDC.
- k. City permit costs.

- l. Shrinking lot sizes.
- m. Deficient in park lands (roughly 50 acres).
- n. Overall regulations.
- o. Nontaxable entities (churches, schools, parks) not contributing to taxes.
- p. Churches not providing land for residential development.
- q. Overall tax structure in Oregon, need sales tax.
- r. Tax rates on manufactured homes are being increased by Yamhill County.
- s. Newberg's geophysical location constricts and prevents urban growth boundary expansion.
- t. Existing houses on big lots (pre-2010).
- u. Accessory Dwelling Units do not work with current lot sizes.
- v. A few property owners own a large portion of existing land supply and sitting undeveloped.
- w. Impact of CPRD Park SDC is \$43 month - 6% with a 25 year impact.
- x. Construction Excise Tax versus General Obligation Bond to generate funds to create affordable housing.

2018

- a. Cost of construction increased 30% in three years.
- b. System Development Charges are increasing.
- c. Chehalem Park and Recreation District System Development Charge increase added \$35 a door monthly to rent for a proposed multi-family project.
- d. Rising interest rates.
- e. Tariff increases have added to cost of construction.
- f. Steel cost increases have added to cost of construction.
- g. Property tax increases of 3% annually get passed on to renters.
- h. Sanctuary city status has impact on housing (rent costs).
- i. Latinx population out migration.
- j. Lack of R-3 zoned land (multi-family).
- k. Cost of residential land.
- l. Development Code regulations – setbacks, parking, height limitations, etc.
- m. How we define income and Area Median Income.
- n. Wait list on housing vouchers, years to wait.
- o. Require drug testing for people receiving welfare benefits.
- p. Section 8 housing has limited funds.
- q. Yamhill Community Action Partnership has limited funds.
- r. NIMBY on apartments.
- s. SB 100 (Oregon land use system).
- t. Landlords not accepting Section 8 vouchers.
- u. Not meeting density targets per zoning.
- v. How do we attract bigger commercial and industrial businesses to have better paying jobs?
- w. Why can't parking be under buildings?
- x. Nobody wants to live in a neighborhood with mixed economic background.
- y. In mixed housing developments student test scores are higher.
- z. 1000 Friends of Oregon.
- aa. Inclusionary zoning.
- bb. Monthly incentives needed for developers.
- cc. Exempt duplexes from permit costs.
- dd. Permit fees are too high.
- ee. Societal mind set – want more like type houses.
- ff. Income stratified neighborhoods.
- gg. Reluctance to challenge the market system.
- hh. Change the land use program to push duplex and triplex units rather than \$450,000 homes.
- ii. Utility assistance – community assisting others, need a mechanism.

- jj. City fees are too high – possible sliding scale.
- kk. First/Last month's rent and security deposits – need a way to assist.
- ll. Lack of awareness of issues, need to raise awareness.
- mm. How did we get here? Need to look backwards before beginning a plan.

3. Possible solutions to reduce the rent burdened households.

Community members provided the following feedback:

2019

- a. General Obligation Bond to assist in providing affordable housing. That way every pays.
- b. Construction Excise Tax – keep moving forward with the proposal; to City Council.
- c. More State dollars to put towards the housing issue.
- d. Tax incentives for property owners to rent below market rate.
- e. Reduce City permit fees for missing middle housing development.
- f. Provide incentives to develop duplex units.
- g. Waive fees for a double tap of water and wastewater.
- h. Large employers provide housing for their workers through various programs (first time buyers, rental assistance, employee provided worker housing, etc.).
- i. More multifamily housing and zoning for that housing product.

2018

- a. Oregon Housing and Community Services has new statewide plan, survey is online and closes on December 19, 2018.
- b. Homeowners and landlords need to rent to Section 8 voucher holders.
- c. City of Lodi, California uses a regional basin approach of stormwater using park land, frees up land for housing.
- d. Educate ourselves and don't recreate the wheel.
- e. Government is not successful in pushing the market. Had some successes in initiatives. Need flexibility in getting things done.
- f. City should honor promises from 2-3 administrations ago.
- g. Reduce government impediments (example of stormwater regulations).
- h. The entire community should help pay – bond for housing.
- i. How to deal with troubling roommates and associated costs.
- j. Housing Needs Analysis consider income levels for different types of housing.
- k. Partnership between the City of Newberg and Yamhill County Housing Authority.
- l. Different needs and solutions based on income levels. Focus on things we can do here. Important to recognize the various needs and solutions for all residents.
- m. A whole town of residential housing does not pay for needed System Development Charges.
- n. Need industrial land to help pay the bills, but don't have any.
- o. Bond and tax increases get passed on to tenants.
- p. Cost is a solution. Can churches build homes on their site or can other organizations build homes.
- q. Faith based support to fill gaps on household costs.
- r. School district build housing for teachers.
- s. Accessory Dwelling Units – can they be incented for long term housing rather than vacation rentals?
- t. Employers can't find housing for upper management.
- u. Education has taken trades classes out of schools so kids don't stay in the community.
- v. What do we need to do to secure more industrial land? Industrial land is very limited.

ADJOURNMENT: Community Development Director Rux adjourned the community forum at 8:30 p.m.

A handwritten signature in blue ink, appearing to read "Doug Rux".

Doug Rux, Minutes Recorder